

U.S.-Peru Trade Promotion Agreement Market Access Results

Information Technology Agreement Products

Trade and Tariffs

This sector is defined by products included within the World Trade Organization's Information Technology Agreement (ITA). ITA products accounted for 15.6 percent of total U.S. industrial exports to Peru in 2004, totaling over \$223 million. The top U.S. exports in this sector included computers, computer parts, and radio and TV broadcasting apparatus. Peruvian tariffs range between zero and 12 percent, with an average of 5.8 percent in 2004.

Peruvian exports to the United States totaled almost \$4 million in 2004, or less than 1 percent of total Peruvian industrial exports to the United States. Top Peruvian exports to the United States included data input and output units, antennas, and computer parts. The United States is a signatory to the ITA, and thus imposes zero duties on these products.

Tariff Elimination

Overall, tariffs will be phased out according to four tariff elimination categories: immediate elimination, equal cuts over five years, equal cuts over seven years, and equal cuts over ten years.

For ITA products, almost all U.S. industrial exports will receive duty-free treatment immediately upon implementation of the agreement. Duties on a few electrical conductors will be eliminated over five years. Additionally, Peru has agreed to join the ITA multilaterally by January 1, 2008.

Non-Tariff Barriers

Peru will eliminate its prohibition on the importation of remanufactured goods, as defined in Chapter Four - Rules of Origin, on entry into force of the Agreement. Peru will eliminate tariffs on most remanufactured goods immediately and will phase down tariffs on a small number of remanufactured goods over 10 years.